



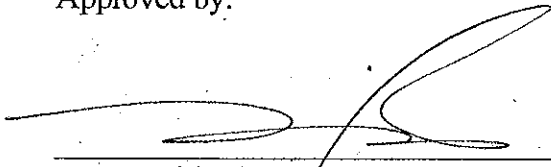
CITY OF  
**HAYWARD**  
HEART OF THE BAY

**DATE:** May 31, 2011  
**TO:** Mayor and City Council  
**FROM:** Assistant City Manager  
**SUBJECT:** Agenda Item #8 – Correction and Revised Resolution

Staff is presenting this memorandum that corrects an error identified in the staff report and resolution for Agenda Item #8 regarding support for legislation sponsored by Senator Feinstein to repeal Federal ethanol subsidies and tariffs. Throughout the staff report and resolution, the legislation is identified as S. 781. The correct bill number is S. 871. A revised resolution is attached to this memorandum.

*Prepared by:* Kelly McAdoo Morariu, Assistant City Manager

Approved by:

  
\_\_\_\_\_  
Fran David, City Manager

Attachments:

Revised Resolution Supporting S. 871 Ethanol Subsidy and Tariff Repeal Act

HAYWARD CITY COUNCIL

RESOLUTION NO. \_\_\_\_\_

Introduced by Council Member \_\_\_\_\_

A RESOLUTION IN SUPPORT OF S. 871 (FEINSTEIN) THE  
ETHANOL SUBSIDY AND TARIFF REPEAL ACT

WHEREAS, continuing to subsidize oil companies to blend ethanol -- which they are already required to do by the Renewable Fuels Standard -- is wasteful and unnecessary; and

WHEREAS, at a time of record Federal deficits coupled with rising food prices, it is time to end the 30 years of taxpayer subsidies afforded to the corn-based ethanol industry, which is costing taxpayers approximately \$6 billion per year; and

WHEREAS, two recent studies estimate that government subsidies for ethanol are directly responsible for raising corn prices by 7 to 8 percent and, in turn, artificially inflating prices of food produced using corn and corn ingredients; and

WHEREAS, by eliminating the Volumetric Ethanol Excise Tax Credit and the import tariff, the bill would serve as a first step in eliminating unnecessary Federal support for corn ethanol; and

WHEREAS, the Ethanol Subsidy and Tariff Repeal Act would fully eliminate the Volumetric Ethanol Excise Tax Credit (VEETC) and repeal the tariff on imported ethanol, thereby generating approximately \$6 billion in savings to taxpayers annually.

NOW THEREFORE BE IT RESOLVED that the City Council of the City of Hayward expresses its support for the Ethanol Subsidy and Tariff Repeal Act and encourages the U.S. Congress to pass this important legislation and President Obama to sign it into law.

BE IT FURTHER RESOLVED that the City Council directs the City Manager to forward this Resolution to the appropriate Federal elected officials.

IN COUNCIL, HAYWARD, CALIFORNIA May 31, 2011

ADOPTED BY THE FOLLOWING VOTE:

AYES: COUNCIL MEMBERS:  
MAYOR:

NOES: COUNCIL MEMBERS: None

ABSTAIN: COUNCIL MEMBERS: None

ABSENT: COUNCIL MEMBERS: None

ATTEST:

City Clerk of the City of Hayward

APPROVED AS TO FORM:

City Attorney of the City of Hayward